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Tax Tips for the Watercraft Industry

Sales and Use Taxes

April 1995

Pamphlet No. 40 • LDA



STATE BOARD OF EQUALIZATION

Addendum to Publication 40, January 1998

Tax Tips for the Watercraft Industry, April 1995 edition

This addendum reflects changes in law and regulations, or Board procedures, that have occurred since the April 1995 publication of this pamphlet. Please keep it with your copy of the publication.

Page 6, "Brokerage Sales," insert after introductory paragraph: *change in liability for use tax*

If the broker collects the use tax from the purchaser and provides a receipt, the *broker*, not the purchaser, is liable for the use tax amount paid and must remit that amount to the Board (for documented vessels) or to the DMV (for undocumented vessels). If the Board later determines that additional use tax is due, the *purchaser* is liable for the additional tax.

Note: The purchaser should be sure to retain a receipt for any use tax paid to a broker.

Page 10, "Component Parts of Tax-Exempt Watercraft:" *correction, taxability of component parts purchased for inventory or future use*

Please disregard the paragraph that begins *Please note*, regarding the application of the component parts exemption to parts purchased for inventory purposes or future use. If otherwise qualifying for the watercraft component parts exemption, the sale of parts purchased for inventory purposes or future use is *not* subject to tax.

Page 14, "Fuel and Petroleum Products," *correction, common carrier fuel exemption expiration date*

The common carrier fuel exemption described on pages 13 and 14 has been extended to January 1, 2003. Please disregard the December 31, 1997, expiration date noted on page 14.

Other Tax Programs

The Board administers several taxes and fees in addition to the state's sales and use taxes. Some may apply to your business operations. For a list of tax and fee programs and contact numbers, please call the Board's 800 Number Information Center (see below) and request a copy of publication 51, *Guide to Board of Equalization Services*. For more detailed information about individual tax programs, you may wish to order publication 41, *Taxes and Fees Administered by the Board of Equalization* (a large chart).

For More Information

800 Number Information Center

For general tax information, and to order publications, please call the Board's 800 Number Information Center. You may place orders for publications and regulations, or use the fax-back service (see below) 24 hours a day. Customer service representatives are available to assist you Monday through Friday, 8:00 A.M.-5:00 P.M. (Pacific time), except State holidays.

Call 1-800-400-7115

TDD service for the hearing impaired

From TDD phones, call: 1-800-735-2929

From voice phones, call: 1-800-735-2922

Fax-back service. Certain forms, regulation, and publications are available from the Board's automated fax-back service. Call the Information Center's 800 number anytime day or night. The documents you request will be faxed to you within 24 hours.

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Internet

Information regarding Board-administered tax programs, sales and use tax rates by county and city, answers to frequently asked questions, publication and regulation order forms, and copies of certain Board publications are available on the Board's Internet site on the World Wide Web.

Enter: <http://www.boe.ca.gov>

Board of Equalization Field Offices

City	Area Code	Number	City	Area Code	Number
Bakersfield	805	395-2880	San Jose	408	277-1231
City of Industry	562	908-5280	San Marcos	760	744-1330
Culver City	310	342-1000	Santa Ana	714	558-4059
El Centro	760	352-3431	Santa Rosa	707	576-2100
Eureka	707	445-6500	Stockton	209	948-7720
Fresno	559	248-4219	Suisun City	707	428-2041
Laguna Hills	949	461-5711	Torrance	310	516-4300
Norwalk	949	466-1694	Van Nuys	818	904-2300
Oakland	510	622-4100	Ventura	805	677-2700
Rancho Mirage	760	346-8096			
Redding	530	224-4729			
Riverside	909	680-6400			
Sacramento	916	227-6700			
Salinas	831	443-3003			
San Diego	619	525-4526			
San Francisco	415	396-9800			

Offices for Out-of-State Accounts

Chicago, IL	312	201-5300
Houston, TX	281	531-3450
New York, NY	212	697-4680
Sacramento, CA	916	227-6600

Taxpayers' Rights Advocate

The State Board of Equalization wants to make dealing with us as easy as possible. Consequently, we have appointed a Taxpayers' Rights Advocate to help you with problems you have been unable to resolve at other levels.

You may contact:

Taxpayers' Rights Advocate, MIC:70
State Board of Equalization
P.O. Box 942879
Sacramento, CA 94279-0070

Telephone 916-324-2798
Toll-free phone 888-324-2798
Fax 916-323-3319

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Note: This pamphlet summarizes the law and applicable regulations in effect when the pamphlet was written, as noted on the cover. However, changes in the law or regulations may have occurred since that time. If there is a conflict between the text in this pamphlet and the law, the latter is controlling.

PREFACE

This pamphlet is intended as a general guide to the Sales and Use Tax Law and Regulations as they apply to the sellers, suppliers, brokers, purchasers, and users of watercraft.

This pamphlet does *not* address sales and purchases of watercraft that are not considered *vessels* under the Sales and Use Tax Law and Regulations. These include:

- Seaplanes
- Watercraft specifically designed to operate on a permanently fixed course, held on that course by a mechanical device
- Watercraft designed only for rowing or paddling, such as kayaks or canoes
- Sailboats that are no more than eight feet long

Please note that this pamphlet supplements another Board of Equalization publication, *Your California Seller's Permit*. That publication, which is provided to first-time applicants for seller's permits, includes general information about obtaining a permit; using a resale certificate; paying, collecting and reporting sales and use taxes; buying, selling, or discontinuing a business; and keeping records. If you do not already have a copy of this booklet, you may request one from your local Board office.

If you cannot find the information you are looking for in this publication, please contact your local Board of Equalization office. Staff will be glad to answer your questions. Telephone numbers for Board offices are on page 24.

We welcome your suggestions for improving this or any other tax tip pamphlet. You may use the reader survey on page 25 to comment, or write to:

Audit Evaluation and Planning Section
State Board of Equalization
450 N Street MIC 40
P.O. Box 942879
Sacramento, CA 94279-0040

1. Tax-Exempt Watercraft

In general, sales or use tax applies to the sale or purchase of tangible personal property in California. Sales of property covered by specific exemptions — including watercraft exempt from tax based on their principal use, and their qualifying component parts — are not subject to tax. This chapter, which contains information useful to watercraft sellers, brokers, purchasers, and operators, explains the watercraft principal use exemptions. Sellers and buyers can find specific information on how these exemptions apply to sales in chapter 2, Sales and Purchases of Watercraft, and chapter 3, Sales of Watercraft Parts, Materials, and Supplies.

Principal Use Exemptions

The sale, use, or lease of a watercraft, and its qualifying component parts, is exempt from tax if the vessel's *principal use* is:

- Transporting passengers or property — for hire — in interstate or foreign commerce
- Commercial deep-sea fishing conducted outside California's territorial waters
- Transporting people or property — for hire — to certain vessels or certain offshore drilling platforms

To determine the *principal use* of a watercraft, the Board usually looks at the way the craft is used during its first 12 months of operation following purchase or lease. The principal use is generally considered to be the operation that constitutes *more than 50 percent* of the vessel's activity during that period (unless specified otherwise for a particular exemption).

In addition, the Board may use other measurements, including minimum gross income standards, to determine whether a vessel qualifies for a particular watercraft exemption. The specific requirements for each type of principal use exemption are described below.

Sales and leases of watercraft used principally in interstate or foreign commerce, and of their qualifying component parts, are exempt from tax. For this exemption, interstate or foreign commerce is defined as transportation of passengers or property — for hire — from this state to another state or foreign country, or vice-versa. To demonstrate that a watercraft is used for hired transportation services, it usually must generate a minimum amount of income from such activity, as described on the next page.

To qualify for the interstate and foreign tax exemption, a watercraft must be used:

- *Exclusively* in interstate or foreign commerce; or
- In a combination of interstate or foreign commerce, and commerce between ports in the state (*intrastate* commerce), provided the vessel's *principal use* — more than 50 percent of its activity — is for interstate or foreign commerce.

(For more information, you may wish to obtain a copy of Regulation 1594, Watercraft, from your local Board office. Phone numbers are listed on page 24.

Vessels Used in Interstate and Foreign Commerce

Sailing in part on the high seas while traveling to and from California ports does not, by itself, qualify a craft for the exemption. Furthermore, vessels used exclusively to transport their owners' property do not qualify for this exemption.

■ Tugboats and Barges

Under certain conditions, tugboats and barges may qualify for the interstate and foreign commerce exemption. Their principal use must be:

- Transporting cargoes moving in interstate or foreign commerce; or
- Towing, or helping to move, vessels used principally to transport passengers or cargoes in interstate or foreign commerce.

Please note: Tugboats and barges used to transport ships' stores, ships' crews, repair parts, and similar cargoes to and from a vessel are not eligible for the exemption.

Additional Gross Income Requirement

To demonstrate that it is used to transport people or property for hire, a watercraft must usually generate a certain amount of gross income from this activity during its first 12 months of operation. For boats sold or leased after January 1, 1987, the annual gross receipts from such transportation services must be greater than 10 percent of the cost of the watercraft to the purchaser or lessor, or \$25,000, whichever is *less* (all gross receipts from transporting passengers or property for hire may be included).

If gross income from a boat you own or lease is less than the required amount, the Board will presume that it is not used to transport people or property for hire, unless you can clearly establish otherwise. Watercraft not used for hired transportation services do not qualify for the interstate and foreign commerce principal use exemption.

Commercial Deep-Sea Fishing Boats

Sales and leases of watercraft principally used in commercial deep-sea fishing operations *outside the territorial waters of this state*, are exempt from tax. Operators of such vessels must be regularly engaged in commercial deep-sea fishing, as demonstrated by their gross income from fishing activity. Sales of qualifying component parts of exempt craft are also exempt from tax.

Principal Use Outside State's Territorial Waters

The territorial waters of the state include waters which are:

- Within three English nautical miles of the coastline; or
- Within three English nautical miles seaward of a line drawn between the headlands of all bays and harbors along and adjacent to the coast; or
- The outermost waters within three English nautical miles of all islands which are a part of the state.

The total time a vessel is used in *actual fishing operations* during the first 12 months beginning with its first activity after sale or lease will be considered to determine the boat's eligibility for the exemption. If you are a boat

***Additional Gross
Income Requirement***

owner or lessee, you should keep adequate records to document:

- Time spent traveling to and from the fishing grounds;
- Time the boat is used within the state's territorial waters; *and*
- Time the boat is used outside the territorial waters of the state.

If the time you conducted fishing operations outside the state's territorial waters exceeds the time operated within them, your boat would meet the basic principal use standard for the commercial deep-sea fishing exemption. Time the craft is idle or stored in the state during the initial 12-month period would not be considered in this determination.

■ Fishing party and sportfishing boats

Fishing party and sportfishing boats having the necessary commercial fishing licenses and permits to take charter or fishing parties for hire may also qualify for this exemption. The following requirements apply:

- The principal use of the watercraft — commercial deep-sea fishing — takes place outside California's territorial waters.
- The fishing is commercial in nature.
- The boat's purchaser can satisfactorily demonstrate that profit is the primary motive for the fishing activity.

Persons operating watercraft sold on or after July 29, 1991, must generally satisfy a gross income requirement to qualify for this exemption. The boat owner or lessee's gross receipts from commercial deep-sea fishing operations must total at least \$20,000 in a selected 12-month period (see *note*, below). Fishing income from both inside and outside the state's territorial waters may be included. (For boats sold during the period January 1, 1980 through July 28, 1991, the gross income requirement was \$5000 per year.)

If fishing receipts from a boat you own or lease are less than the specified minimum amount, the Board will presume that you are not actively engaged in commercial deep-sea fishing — unless you can clearly demonstrate otherwise — and the purchase or lease of your watercraft will be subject to tax. For information on additional evidence that may be required to establish your deep-sea fishing boat exemption, see *Purchasing a Watercraft with an Exemption Certificate*, on page 8.

Please note: The 12-month period selected for examination of your gross fishing income will depend on whether you were deep-sea fishing commercially at the time you purchased the vessel.

Sales and leases of watercraft principally used to transport people or property — for hire — to vessels or offshore drilling platforms outside the state's territorial waters, are exempt from tax. The vessel must be used for this purpose at least 80 percent of the time during its first 12 months of actual operation after purchase or lease. Sales of qualifying component parts of these vessels are not subject to tax.

2. Sales and Purchases of Watercraft

This chapter is designed to give you information on the taxability of watercraft sales, methods of tax reporting and payment, and the respective tax reporting responsibilities of registered sellers, brokers, and buyers. It also includes information on sales of exempt watercraft, as defined in the previous chapter.

Documented and Undocumented Vessels

■ Documented Vessels

A documented vessel is a watercraft required to be documented by the United States Coast Guard, that has a valid Coast Guard-issued marine certificate. Sales and use tax on documented vessels is generally paid to the seller or to the Board, as described later in this chapter.

■ Undocumented Vessels

An undocumented vessel is a watercraft that does not require or have a Coast Guard-issued marine certificate. Undocumented vessels must be registered with the State Department of Motor Vehicles (DMV). Acting for the Board, the DMV collects use tax from purchasers at the time they register vessels, unless the tax was previously paid by the seller or broker.

If you hold a valid seller's permit, and are in the business of selling watercraft, your sales are generally subject to sales tax. Whether you sell a *documented* or *undocumented* vessel, you are required to report and pay sales tax to the Board. Sales of tax-exempt watercraft, defined in Chapter 1, are described later in this section.

When you sell an *undocumented vessel*, you must give the purchaser a sales tax certification form to present to the DMV, showing that tax was paid on the sale. An example is shown below; copies are available from your local DMV office.

(For more information on sales of documented and undocumented vessels, you may wish to obtain a copy of Regulation 1610, Vehicles, Vessels, and Aircraft

DMV A Public Service Agency		CF NUMBER	
Vessel Dealer or Manufacturer's Sales Tax Certification		CF	
		BUILDER	YR. MODEL
HULL IDENTIFICATION NUMBER		LENGTH	
		Fl.	In.
CHECK ONE	SALES PRICE	SALES TAX	
<input type="checkbox"/> Dealer	\$	\$	
<input type="checkbox"/> Manufacturer	SBE SELLER'S PERMIT NUMBER		
REGISTERED OWNER—NAME (LAST, FIRST, MIDDLE)			
STREET ADDRESS		STATE	APT. NO.
CITY		STATE	ZIP CODE
DEALER—MANUFACTURER FIRM NAME			
ADDRESS			
CITY			
I certify under penalty of perjury under the laws of the State of California that the information entered by me on this document is true and correct, and the applicable taxes on the sale will be reported directly to the Board of Equalization.			
CITY	SIGNATURE		
	X		
TITLE	DAYTIME TELEPHONE NUMBER		
	()		
BOAT 110 (REV. 3/94)			

Watercraft Exempt from Sales Tax

■ Vessels exempt by principal use

As described in Chapter 1, sales of other vessels are exempt from sales tax based on the vessels' principal use. The principal use must be:

- Transporting passengers or property — for hire — in interstate or foreign commerce;
- Commercial deep-sea fishing outside California's territorial waters; or
- Transporting people or property — for hire — to vessels or offshore oil platforms outside California's territorial waters.

If you are a retailer selling a watercraft exempt by principal use, you must obtain a valid *watercraft exemption certificate* from the purchaser at the time of the sale (see example on page 9) in order to exempt the sale from tax. If you do not obtain a valid certificate, or if you know that the facts stated on the certificate are not true, you must report and pay sales tax on the transaction. You must write and retain an invoice for each exempt sale.

■ Vessels of more than 1000 tons burden

Shipbuilders' sales of vessels of more than 1000 tons burden are exempt from sales tax. However, unless the vessel qualifies under one of the watercraft principal use exemptions, the purchaser may be liable for use tax, and sales of component parts for the ship *are* taxable.

Leases of Taxable Watercraft

Lease payments you receive for taxable watercraft are generally subject to tax, unless you paid tax on the cost of the vessel. Different leasing rules apply to vessels that are at least 30 feet long, which are considered "Mobile Transportation Equipment." For more information, you may wish to obtain a copy of regulation 1660, *Leases of Tangible Personal Property — in General*, or regulation 1661, *Leases of Mobile Transportation Equipment*.

Reporting District Taxes

When you sell an undocumented vessel, you must report district tax if the vessel is *registered or licensed* at an address within a special tax district. When you sell a documented vessel, you must report the appropriate district tax if the boat will usually be *moored or berthed* at an address in a special tax district, *and* you are engaged in business in that district.

In either case, if the applicable address is outside a special tax district, you should not report district tax on the sale. A list of special tax districts and rates is available at Board offices. For more information, you may wish to obtain a copy of pamphlet 44, *Tax Tips for District Taxes*, from your local Board office.

(For more information, you may wish to obtain a copy of Regulation 1823.5, Place of Delivery of Certain Vehicles, Aircraft, and Undocumented Vessels, from your local Board office.

Note to sellers located within a special tax district: If you sell an undocumented vessel that is exempt from the district tax in effect at your sales location, you must obtain a declaration from the purchaser and retain it in your records. The purchaser must certify, under penalty of perjury, that the vessel's licensing or registration address is the purchaser's principal place of residence, or in the case of a corporation, its principal place of business.

Sample declaration certificates can be found in Regulation 1823.5, *Place of Delivery of Certain Vehicles, Aircraft, and Undocumented Vessels*.

Brokerage Sales

In a brokerage transaction — where the seller/broker acts as an agent without authority to bind the parties or transfer title to the watercraft — the broker is not considered a retailer. He or she is not required to collect sales or use tax. Although the purchaser is liable for the use tax due, the broker *may* collect it, as described below.

Documented Vessels

When a broker sells a documented vessel, the purchaser must pay the applicable use tax to the Board. However, the broker may collect the tax from the buyer and remit it to the Board. This procedure allows the tax to be included in the financing of the vessel and helps avoid future misunderstandings regarding the purchaser's use tax liability.

If you are a broker providing this service, you must forward the use tax to the Board with a statement that shows:

- Name and address of purchaser
- Full purchase price of vessel
- The vessel's U.S. documentation or California "CF" registration number

Forms for this purpose can be obtained from your local Board office, or by writing to the

Consumer Use Tax Section
State Board of Equalization
450 N Street MIC 37
P. O. Box 942879
Sacramento, CA 94279-0037

Undocumented Vessels

When an undocumented vessel is sold through a broker, the purchaser must pay use tax to the DMV when registering the watercraft.

A licensed yacht and ship broker who has been appointed as an *undocumented vessel registration agent* by the DMV may collect the use tax from the buyer. The agent can transmit the tax, registration application, and applicable fees to the DMV; or, the broker may submit the application and applicable fees to the DMV, which will collect the use tax from the purchaser.

If you are a licensed broker and would like to be appointed as an undocumented vessel registration agent by the DMV, you should contact the

Vessel Registration Unit
California Department of Motor Vehicles
P.O. Box 942869
Sacramento, CA 94269-0001
(916) 657-7669

Purchaser's Responsibility to Report Tax

Purchasing a Documented Vessel

In some cases, the buyer of a watercraft is responsible to pay sales or use tax directly to the Board or to the DMV. This section addresses your obligations as the purchaser of a vessel.

If you buy a documented vessel from a person who does not hold a seller's permit, or from a broker who does not collect and submit the tax on your behalf, you must pay *use tax* to the Board. Use tax is also due on watercraft purchased from a seller located outside the state, if they do not collect California use tax from you.

The tax due is based on the effective rate in the county where you usually moor or berth the vessel. If you customarily moor or berth your vessel within a special tax district, but you did not pay district tax on the vessel's purchase, you may be liable for the district use tax. For information on the correct tax rate, please contact your local Board office.

■ Purchasers with a valid seller's permit or consumer's use tax number

If you hold a seller's permit or a consumer's use tax number, you must report the tax on your return for the reporting period in which the purchase took place, unless you have purchased the vessel for resale. If you are a registered seller who purchased the vessel for personal or business use, you would list the amount of the purchase under *Purchases Subject to Use Tax* on your sales and use tax return.

■ Purchasers without a seller's permit or consumer's use tax number

If you do *not* have a valid seller's permit or consumer's use tax number, you must pay use tax directly to the Board. To obtain a return, please contact:

Consumer Use Tax Section
State Board of Equalization
450 N Street MIC 37
P. O. Box 942879
Sacramento, CA 94279-0037

Alternately, you can file your payment directly with the Consumer Use Tax Section or any Board field office. You must include a brief statement giving the date of purchase, purchase price, and a description of the vessel. The description should include:

- Year of manufacture and name of builder
- Length of the vessel
- Name, documentation, or CF number

Your payment is due *on or before the last day of the month* following:

- The month you were mailed a copy of a return by the Board; or
- The twelfth month following the month in which you purchased the vessel, if you do not receive a Board return.

Purchasing an Undocumented Vessel

If you buy an undocumented vessel from a person who does not hold a seller's permit or from a broker who does not collect and pay the use tax, you must pay the tax yourself. When you register the craft with the Department of Motor Vehicles, that agency will collect the use tax due, based on the vessel's purchase price. If you have purchased the craft through a broker who has submitted your application and fees to the DMV without submitting the use tax, the DMV will contact you regarding payment of the tax.

Purchasing a Watercraft with an Exemption Certificate

When you purchase a watercraft for one of the exempt principal uses described in Chapter 1, or purchase qualifying component parts for an exempt vessel, you must provide a *watercraft exemption certificate* to the seller. On the certificate, you must certify that the craft is to be used for one of the three exempt purposes allowed by law. An example of a watercraft exemption certificate is shown on the next page.

You may be required to provide the Board with additional information about the watercraft, including:

- Date of purchase
- Home port
- Serial number
- Fish and Game Registration number
- Vessel I.D. number
- Approximate number of miles traveled during the first six months
- Type of fish caught
- Name and address of customers (including commercial fish receipts from those customers)
- Name and suppliers of bait and gear
- Blocks of areas fished
- List of reports made to Fish and Game and where they may be examined
- Ship's log
- Name of insurance company and type of coverage (commercial marine)
- Photo of vessel which clearly shows the rigging, California "CF" registration number, documented name, or Fish and Game number of the vessel
- Other information the Board feels is needed to verify the exemption status of your vessel

Using an Exempt Watercraft in a Nonexempt Manner

If you use a watercraft exemption certificate to purchase a watercraft without tax, and use the watercraft in a manner not described on the certificate, you are liable for sales tax based on the purchase price of the watercraft. You must report and pay sales tax directly to the Board at the time of such use. If you do not report and pay tax at that time, the Board

may later bill you for tax on the vessel's purchase, including applicable penalties and interest.

*Sample Watercraft
Exemption
Certificate*

WATERCRAFT EXEMPTION CERTIFICATE

I HEREBY CERTIFY: That the watercraft identified below is used

- () In the transportation by water of persons or property for hire in interstate or foreign commerce*;
() In commercial deep sea fishing operations outside the territorial waters of this state*;
() In transporting for hire persons or property to vessels or offshore drilling platforms located outside the territorial waters of this state.

That all tangible personal property which I shall purchase from

described on purchase orders, or invoices, as tax exempt under Section 6368 of the Sales and Use Tax Law and Regulation 1594, consists of watercraft or tangible personal property becoming a component part of the watercraft in the course of constructing, repairing, cleaning, altering, or improving the same, which watercraft will be used principally in the operation checked above.

*NOTE: Revenue and Taxation Code Section 6368 (b) creates a rebuttable presumption that you are not regularly engaged in commercial deep sea fishing if your gross receipts from such operations are less than twenty thousand dollars (\$20,000) a year. Revenue and Taxation Code Section 6368 (c) creates a rebuttable presumption that the watercraft is not regularly used in interstate or foreign commerce if your yearly gross receipts from such operations do not exceed 10 percent of the cost of the watercraft or twenty-five thousand dollars (\$25,000), whichever is less.

Date Certificate Given _____

Purchaser _____
(Company Name)

Address _____

Signed By _____
(Signature of Authorized Person)

(Print or Type Name)

Title _____
(Owner, Purchasing Agent, etc.)

Seller's Permit No., (if any) _____
and/or

Fish and Game License No. _____

Names of Watercraft for which certifying purchaser will be making purchases:

*Registering a
California Vessel
Out-of-State*

If you register a watercraft outside the state to avoid paying state sales or use tax, you may be liable for a penalty of 50 percent of any tax the Board determines is due on your vessel, plus the original tax due.

3. Sales of Watercraft Parts, Materials, and Supplies

Component Parts of Tax-Exempt Watercraft

This section is a general guide to the application of tax to sales and purchases of watercraft parts, materials, and supplies. Generally, sales and purchases of these items are subject to tax. However, as with sales and purchases of watercraft, some special exemptions apply. If you have questions regarding the taxability of a particular item or transaction, you may contact your local Board office for assistance. Field office phone numbers are listed on page 24.

Sales of *component parts* of a watercraft are not taxable if the parts are an integral part of a vessel that is exempt from tax based on its principal use (as described in Chapter 1, *Tax-Exempt Watercraft*). They must become part of the vessel as it is constructed, repaired, cleaned, altered, or improved. Component parts must be:

- Substantially affixed or attached to the exempt watercraft while in use; or
- An affixed part of the vessel.

They can be exempt whether used for navigation, operation, or the comfort and convenience of passengers and crew.

Please note: Sales of parts purchased for inventory purposes or future use are not eligible for this exemption and are subject to tax.

In addition, property normally treated as an expense item for accounting purposes, and not substantially affixed or attached while in use, is not considered to be a component part. Sales of these items are also taxable.

If you are a seller of watercraft parts, you must obtain a watercraft exemption certificate from all purchasers who buy qualifying component parts for an exempt vessel; otherwise, you are liable for sales tax on the transaction. A sample certificate is on page 9.

You must clearly separate taxable and nontaxable items on sales documents, including invoices, contracts, purchase orders, and so forth. You may wish to clearly mark each nontaxable item listed on your sales document in a way that refers to the watercraft exemption certificate on file. For example, you may identify each tax-exempt item with an asterisk (*), and write the following on your sales document: "All items marked with an asterisk (*) are exempt from sales or use tax per Watercraft Exemption Certificate dated _____."

For a listing of component parts that may be nontaxable, see the Appendix, *Component Parts and Taxable Items*, on page 15. You may also wish to obtain a copy of Regulation 1594, *Watercraft*, from your local Board office.

Fishing Equipment

Sales of fishing nets normally attached to a tax-exempt vessel when in use, and items that become part of the nets or are attached to them, are generally tax-exempt. These fishing nets and parts are considered to be component parts. Sales of nets that are set out on buoys or floats, and their parts, are taxable. Examples of taxable and nontaxable fishing equipment can be found in the *Appendix*, beginning on page 15.

Please note: Similar types of fishing gear may be classified as nontaxable in one situation and taxable in another, depending on their use or the way in which they are attached. If you have any questions regarding the taxability of an item, please contact your local Board office.

Navigational Charts

Sales of hydrographic charts printed by the U.S. Government are not subject to tax. Sales of coast and geodetic charts, however, are taxable.

Repair Supplies, Parts, and Materials

Sales of watercraft repair and refinishing supplies to ship and boat repairers are subject to tax. Examples include sandpaper, rags, paint thinners, solvents, paintbrushes, and pails. Sellers of these supplies should not accept a resale certificate for the taxable items. The sale of paint to repairers is also taxable, unless the paint will be applied to exempt watercraft.

Boat repairers' sales of repair parts or materials are subject to tax if:

- The retail value of the parts is more than 10 percent of the total repair charge. When this occurs, parts and materials charges must be stated separately from repair labor or installation charges on repair invoices.
- Separate charges are made for repair parts and materials, regardless of the value of the parts.

Sales of repair parts or materials that become component parts of exempt watercraft are also exempt from sales tax.

4. Fabrication, Repair, and Installation Labor

Charges for labor may be subject to tax, as explained below. For more information, you may wish to obtain a copy of Regulation 1546, Installing, Repairing, Reconditioning in General, from your local Board office.

Fabrication Labor

If you charge for labor to *create or produce* a new item for a customer, the labor charges are taxable, whether you supply materials or use materials provided by the customer. Some examples include:

- Fabricating sails or dodgers
- Converting a fishing boat to a pleasure craft
- Making custom fishing nets

Labor charges for fabricating an exempt watercraft or a qualifying component or affixed part of an exempt vessel are not taxable.

Repair Labor

If you make a separately stated charge for labor to *repair or recondition* an item to restore its original use, the labor charge is not taxable. Some examples include:

- Repairing a boat's engines
- Repairing fishing nets
- Rebuilding a pleasure boat's cabin and enlarging its galley, as long as the boat remains a pleasure craft

Installation of Parts and Equipment

Labor for *installation* of parts and equipment is not taxable. However, if installation occurs as part of fabricating an item in place, the whole labor charge is taxable (unless the item is affixed to a tax-exempt vessel). You should state installation charges separately from the other charges on your invoice or other sales document.

5. Sales to Water Common Carriers

Water common carriers are vessels that transport people or property for hire in interstate or foreign commerce. Special rules may apply to the sales of merchandise and fuel to common carriers, as described below.

Sales to Common Carriers

(For detailed information on sales to common carriers, you may wish to obtain a copy of Regulation 1621, Sales to Common Carriers, from your local Board office.

■ Sales of Items to be Used Outside of California

Sales of items (other than fuel and petroleum products) to a water common carrier are exempt from sales tax when the merchandise sold is:

- Shipped *by the seller* via the purchasing carrier's own transportation equipment, including trucks, ships, or planes
- Shipped under a bill of lading, whether or not shipping charges are made
- Shipped to a point outside this state
- Transported to the out-of-state destination for use by the common carrier in the conduct of its regular business
- Used *only* after arrival at the out-of-state destination

The carrier must be authorized to transport cargo over the California portion of the route under common carrier rights.

In addition, the seller must obtain a certificate from the purchaser stating that all of the requirements listed above apply to the transaction. A sample certificate can be found in Regulation 1621, *Sales to Common Carriers*, available from your local Board office.

■ Fuel and Petroleum Products

Sales of fuel and petroleum products to water common carriers may also be exempt from sales tax. The product sold must be immediately shipped outside the state, and cannot be used until the carrier reaches its first out-of-state destination. The purchasing common carrier must hold a valid seller's permit or a fuel exemption registration number.

Please note: The first out-of-state destination includes the entry point of the Panama Canal, even when the carrier will only pass through the Canal en route to another destination.

Exemption Certificate. The common carrier must provide a written exemption certificate to the vendor stating the quantity of fuel or petroleum products that will be used after it reaches its first out-of-state destination. The certificate must include the common carrier's valid seller's permit number or valid fuel exemption registration number. Sellers accepting the certificate in good faith are not liable for the sales tax. A sample fuel exemption certificate, along with more detailed information on this type of transaction, can be found in Regulation 1621, *Sales to Common Carriers*, available from your local Board office. For information

Registration and Record keeping

on obtaining a fuel registration number, please see below.

The common carrier fuel exemption expires on December 31, 1997.

If you claim an exemption from sales tax on fuel or petroleum products as described on the previous page, and you are not required to hold a valid seller's permit, you must register with the Board. The Board will issue you a fuel exemption certification number, and may require you to place a security deposit and to file tax returns.

To document that you have transported the amount of fuel or petroleum product claimed as exempt to an out-of-state destination, the Board may require you to provide records, including a copy of a log abstract or a cargo manifest. If you do not provide the records on request, the Board may revoke your fuel exemption registration number.

In addition, if you use property, fuel, or petroleum products in any way that violates the restrictions of the exemption claimed, you will be liable for payment of sales tax. The tax will be based on the amount you paid for the exempt items.

For more information on fuel exemption certificates, please contact your local Board office.

6. Appendix: Component Parts and Taxable Items for Exempt Watercraft

The lists below provide examples of nontaxable component parts and taxable items for exempt watercraft, as defined in chapters 1 and 3. (The tax exemption for component parts does not apply to parts sold or purchased for vessels that do not qualify for one of the watercraft principal use exemptions.) The lists are intended as a guide, and do not include all items you may sell or purchase for exempt watercraft. Categories are listed in alphabetical order.

Basic Principles for Determining Taxability

■ Nontaxable component parts

Sales of items listed as *nontaxable component parts* (including their parts) are not taxable *when the parts are substantially affixed or attached* to an exempt watercraft (or to one of its affixed parts), when in use. The parts must become part of the watercraft when it is constructed, repaired, cleaned, altered, or improved. Sales of items purchased for inventory or future use are taxable.

▼ Taxable items

Items listed as taxable are *not affixed or attached* to an exempt watercraft in a substantial manner when in use. Items that are used up during normal application, such as solvents or soap, are also subject to tax.

Important note: Some items are taxable in one situation and nontaxable in another, depending on their use or method of attachment. If you have any question regarding the application of tax to the sale or purchase of a particular item, please contact your local Board office for assistance.

Cleaning Materials and Gear

▼ Taxable items

Acids	Emery cloth and powder
Ammonia, household	Handles for broom brush
Baskets	Holystones
Benzene	Insecticides
Bleaches	Lye
Bricks, grill and range	Mops and swabs
Brooms	Paint and varnish removers
Brushes	Pails
Buckets	Plumber's friend (force cup)
Cans	Pumice stone
Carpet sweepers, electric or hand	Rags and cheesecloth
Caustic soda	Sal soda
Chipping hammers, power	Sand, scrubbing
Chloride of lime	Sandpaper
Chore girls	Sawdust
Deodorants	Soaps, solvents, detergents, cleansers
Disinfectants	Sponges
Drums	Squeegees
Dust pans	Steel wool

Dry Goods (Miscellaneous)

■ Nontaxable component parts

Awnings	Hatch tarpaulins
Dodgers	Hatch tents (carried on vessel)
Filter cloth (used in or as component part of vessel)	Sails
Flags and pennants (opera- tional only)	Signal balls
	Material for making or repairing any of these items

Dunnage Materials

▼ Taxable items

Fabrics
Lumber (dunnage only)
Paper

Environmental and Fire Control Equipment

■ Nontaxable component parts

AFFF systems	General alarm system
CO ² systems (including CO ²)	Oil spill booms
Fire hoses and nozzles	Steam smothering lines and system

▼ Taxable items

Portable firefighting equipment, such as fire extinguishers, fire axes, protective clothing, and breathing apparatus.

Fishing Gear

■ Nontaxable component parts

Fishing nets normally attached to the vessel when in use and items that become part of the nets or are attached to them

Examples: drag nets, drift nets, lampara nets, and purse seine nets

▼ Taxable items

Bait well nets	Floats for buoying nets and lines
Crab gear	Gaff hooks
Fish baskets	Ice tongs, shavers, and picks
Fish forks, spears, and darts	Loading chutes
Fish hooks	Lobster gear
Fishing nets set out on buoys or floats, and parts or attach- ments	Net needles
	Portable bait tanks
	Fish lures

Note: Similar types of fishing gear may be classified as nontaxable in one situation and taxable in another, depending on their use or method of attachment. Please contact your local Board office if you are unsure whether an item is taxable.

Fuels, Gases, Lubricants, and Compounds

▼ Taxable items

Bunker fuel	Graphite
Compounds — grinding, boiler, testing, and treating	Greases
Flux	Ink, instrument
Gases, acetylene	Kerosene
Gasoline	Oil — cutting, lubricating, storm, fuel
Glycerine	Oxygen

Furniture, Furnishings, and Entertainment Equipment

Note: Items that are usually moved from place to place in the watercraft, or stationary but not affixed to the vessel, are taxable.

■ Nontaxable component parts

Athletic Equipment (fixed)
Furniture and furniture parts: beds, benches, bunks, chairs, lockers, springs, stools, tables
Hospital and surgical equipment
Televisions and VCRs
Cassette and CD players

▼ Taxable items

Athletic equipment (movable), such as medicine balls and horse-billiard sets
Bed springs (not affixed)
Books
Cameras
Cots
Deck chairs
Games, party gear, portable sports equipment, toys

Radio receiving sets (household type)
Recreational equipment
Rugs, carpets, mats, drapes, blinds, curtains, licenses and certificate frames, notices, pictures, shades, signs

Portable stereo, radio, and video equipment
Portable benches, chairs, divans, lamps, stands, stools, tables
Portable hospital and surgical equipment, including portable first aid kits
Stretchers and litters
Wheelchairs

Galley and Stewards' Equipment

■ Nontaxable component parts

Coffee urns
Dishwashing machinery
Griddles
Mixing, grinding, and slicing equipment

▼ Taxable items

Appliances, portable
Bath mats
Bed sheets, spreads, and blankets
Chinaware
Crockery
Crocks, bowls, bottles
Electric irons
Galley knives, forks, and spoons
Glassware
Laundry bags
Lining paper
Matches
Mattresses and covers
Metalware
Mixing and grinding machines (portable)

Ovens
Steam kettles
Steam tables
Stoves
Toasters

Napkins
Paper bags, towels, napkins, cups
Percolators (portable)
Pillows and pillow cases
Pots and pans
Steamtable inserts
Tablecloths
Table knives, forks, and spoons
Toasters (portable)
Toilet paper
Toothpicks
Towels
Uniforms

Ground Tackle and Mooring

■ Nontaxable component parts

Anchors	Chocks
Anchor chains, links and shackles	Cleats
Bumpers or fenders	Mooring lines—chain, wire, fiber

Hardware and Accessories

■ Nontaxable component parts

Bolts	Rivets
Brads	Screws
Glass — window, port	Spikes
Joiners hardware	Staples
Metal rods, sheets, rolls, bars, shapes	Tacks
Nails	Washers
Nuts	Wire cloth
Padlocks	Wire screen
Pins	

Lifesaving Equipment

■ Nontaxable component parts

Lifeboats and equipment (first aid kits, water containers, flashlights, and so forth)

Life rafts and equipment

▼ Taxable items

Portable life saving equipment such as ring buoys, life jackets, distress signals, flares, and rockets, when not part of a lifeboat or life raft

Lights, Electrical Fixtures, and Related Items

■ Nontaxable component parts

Batteries

Electric wire and cable

Lanterns — if affixed

Lights — if affixed

▼ Taxable items

Lights and lanterns used *intermittently* at various locations and for various purposes in the ship, such as flashlights, battle lanterns, oil lamps, and portable electric lights with extension cords

Lumber and Lumber Products

■ Nontaxable component parts

Hatch boards

Plugs

Scupper splash boards

Sign boards

▼ Taxable items

Lumber used for dunnage and other temporary, nonaffixed uses.

Machinery and Related Items

■ Nontaxable component parts

Boilers	Motors
Capstan and warping engine	Pipe and plumbing fittings
Cargo winches	Propellers
Compressors	Pumps
Condensers	Refrigeration equipment (including refrigerants)
Davits and lifeboat winches	Sanitary systems and equipment
Firebrick, boiler cement, firebrick facing (chrome ore, etc.)	Steering engine
Generators	Tail shaft and shafting
Temperature control systems and equipment	Topping lift winches
Lighting systems and equipment	Valves
Main engine	Ventilating systems and equipment
	Windlasses

Machine Shop Equipment, Tools, and Miscellaneous Equipment

■ Nontaxable component parts

Anvils	Lathes
Drill presses	Shapers
Grinders	Vises

▼ Taxable items

Adzes	Dies — pipe and bolt
Awls	Dividers
Axes	Drills (portable)
Bars — boring, chisel, claw, crimping, pinch, punch, slice, wrecking crew	Fids — metal and wood
Bellows (portable)	Figures, steel stamping
Bevels	Files
Bits for portable drills	Forklift trucks
Blades — knife and saw	Funnels
Blowtorches	Gauges — depth, thickness, etc.
Boiler testing apparatus	Gloves — leather, rubber
Braziers	Goggles — chipping, welding
Brushes, paint	Guns — air, grease, oil, soot remover, paint spray
Calipers	Hammers, pneumatic
Chain, measuring	Handles — composition, metal, wood
Chisels — cold, pneumatic, wood	Hatchets
Clamps, wood	Hoists (portable)
Cutters — bolt, boiler tube, cable, gasket (portable), glass, pipe, wire	Hooks, hand
Detectors, leak	Irons, caulking
Die nuts	Irons, soldering
	Jacks
	Keys, door and lock

**Machine Shop
Equipment, Tools,
and Miscellaneous
Equipment,
*continued from
previous page***

▼ **Taxable items, *continued***

Knives — drawer, jack, linoleum, putty	Saws
Ladders, step	Scales — spring balance, platform (portable)
Levels	Scissors
Machines, deck scrubbing and polishing	Scoops
Mallets	Scrapers
Measure — bulk, liquid	Screw drivers
Meters (portable)	Shears
Needles	Shovels
Oil cans	Snake, plumber's
Packing tools	Snips
Palms, leather	Sounding rod
Picks	Squares
Pitch payers	Stencils
Planes	Straddle Carriers
Pliers	Surgical instruments
Plumb bob	Tap and die sets
Pots — babbitt, glue, melting	Tape, masking
Prickers, sail makers	Tape, measuring
Pump, barrel (portable)	Tightener, chain
Punches — arch, center, etc (portable)	Tongs, blacksmith
Ratchet, drilling	Tool kit
Reamers	Traps, rat and rodent
Rules — folding, steel, tape	Trowel
Saw frames	Welding set (portable)
	Wrenches

Miscellaneous

■ **Nontaxable component parts**

Belting	Glue
Cargo nets and slings	Insulation material
Caulking materials	Packing
Cement	Putty, Plastic wood
Container Lift Spreader	Save-alls (nets)
Flexible ladders	Sealing compounds
Gangways, accommodation ladders	Solder
Gaskets	Tapes — friction, linen, pipe wrapping, rubber

▼ **Taxable items**

Alcohol	Thinners
Dryers	Turpentine

Navigation, Communication and Administrative Equipment

■ Nontaxable component parts

Barometers
Buzzer signal systems
Clocks
Compasses
Computerized navigation aids
Fluids for gauges or instruments
Gauges
GPS –Global Positioning Systems
Gyrocompasses
Indicators
Loran
Meters

Phone systems, cellular phones
Public address systems
Radar
Radios
Radio direction finder
Recording instruments
Satellite communication systems,
INMARSAT
Sounding machines (automatic or
manual)
Taffrail logs
Thermometers

▼ Taxable items

Ammunition
Battery Acid
Binoculars
Blinkers—portable
Books
Bosun's chairs
Chart reading glasses
Charts
Chronometers
Distilled battery water
Dividers
Firearms
Flags, decorative and house
Florescent tubes
Handcuffs
Horns, hand (portable)

Light bulbs
Maps
Megaphones
Powder charges for line throwing
guns
Radios— portable, hand
Rat guards
Rulers, parallel
Rules
Safety belts
Sailing directions
Sextants
Signal rockets and flares
Stop watches
Tide tables
Typewriters, portable

Office Supplies

▼ Taxable items

Blotters
Books — composition, memo
Calculators, portable
Crayons
Carbon paper
Chalk
Envelopes
Erasers
Ink, ink eradicator
Paper
Paper clips
Pencils

Pen points
Rubber bands
Rulers
Scotch tape
Staple removers
Staplers
Staples
Stamp pads
Stamp, rubber
Stencils
Thumb tacks
Typewriter ribbons

**Running Gear,
Rigging, and
Rigging Fittings,
Lashing Equipment**

■ **Nontaxable component parts**

Batten Bars

Battens

Blocks

Booms

Chain

Clamps

Fiber rope and lines

Hooks

Links and rings

Masts

Pulleys

Shackles

Spars

Thimbles (eyes for rope or wire
ends)

Turnbuckles

Wire rope

▼ **Taxable items**

Wire rope, chain, or fiber rope or lines not principally used for running gear, mooring, lashing or rigging, such as hand-held lines, heaving lines, and lines and chain used for miscellaneous purposes

7. For More Information

For More Information

Copies of publications and regulations may be obtained through a local Board office. See the next page for telephone numbers. It is recommended that you call ahead and ask whether the publication you need is in stock.

Publications may also be ordered in writing from:

Supply Unit
State Board of
Equalization
3920 West Capitol
Avenue
Suite 200
West Sacramento, CA
95691

FAX 916-372-6078

You may:

- Contact your local Board office and talk to a representative about how to apply the law or complete a form.
- Request copies of the laws and regulations that apply to your business.
- Write for advice regarding the taxability of a particular sale or transaction, sending your written requests to your local Board office or to the Board's headquarter offices. Requests should fully describe the facts and circumstances of the transaction.
Note: If you rely on a written response from the Board regarding the taxability of a particular sale or transaction, you may be relieved of any tax, penalty, or interest related to that transaction if the Board determines that its written response included errors.
- Enroll in a basic sales and use tax class offered by some local Board offices. You should call ahead to find out whether your local office conducts a class for beginning sellers.

■ Regulations

1546	Installing, Repairing, Reconditioning in General
1594	Watercraft
1610	Vehicles, Vessels, and Aircraft
1621	Sales to Common Carriers
1823	Application of Transactions (Sales) and Use Tax
1823.5	Place of Delivery of Certain Vehicles, Aircraft, and Undocumented Vessels
1698	Records
1700	Reimbursement for Sales Tax
1821	Foreword—District Taxes

■ Publications

Publications that may be of interest include the following pamphlets:

44	<i>District Taxes</i>
61	<i>Sales and Use Taxes: Exemptions and Exclusions</i>
70	<i>The California Taxpayer's Bill of Rights</i>
73	<i>Your California Seller's Permit</i>
74	<i>Closing Out Your Seller's Permit</i>
75	<i>Interest and Penalty Payments</i>
76	<i>Audits and Appeals</i>
77	<i>Publications</i>
79	<i>Documented Vessels and California Tax</i>

If you are a registered seller, you will also receive the *Tax Information Bulletin*, with articles on the application of the law, announcements regarding new and revised publications, and other articles of interest.

8. Field Offices

Staff located in the Board of Equalization field offices listed below will be glad to answer your questions regarding the taxes administered by the Board. If you already have a seller's permit and are calling regarding your account, you will receive quicker assistance if you have the number of your permit available when you call.

Taxpayers' Rights Advocate

If you have been unable to resolve a disagreement with the Board, or if you would like to know more about your rights under the Sales and Use Tax Law, please contact the Taxpayers' Rights Advocate office for help. Call 916-324-2798 or write to:

Taxpayers' Rights Advocate
State Board of Equalization
450 N Street MIC 70
P.O. Box 942879
Sacramento, CA 94279-0070

City	Area Code	Number	City	Area Code	Number
Arroyo Grande	805	489-6293	San Francisco	415	396-9800
Auburn	916	885-8408	San Jose	408	277-1231
Bakersfield	805	395-2880	San Marcos	619	744-1330
Bishop	619	872-3701	San Mateo	415	573-3800
Chico	916	895-5322	San Rafael	415	472-1513
City of Industry	310	908-5280	Santa Ana	714	558-4059
Concord	510	687-6962	Santa Cruz	408	462-9496
Culver City	310	342-1000	Santa Rosa	707	576-2100
El Centro	619	352-3431	Sonora	209	532-6979
Eureka	707	445-6500	South Lake Tahoe	916	544-4816
Fresno	209	248-4219	Stockton	209	948-7720
Grass Valley	916	272-1347	Torrance	310	516-4300
Laguna Hills	714	770-2157	Ukiah	707	463-4731
Lancaster	805	940-7383	Union City	510	429-7090
Marysville	916	741-4301	Vallejo	707	648-4065
Merced	209	726-6527	Van Nuys	818	901-5293
Modesto	209	576-6360	Ventura	805	654-4523
Norwalk	310	466-1694	Visalia	209	732-5641
Oakland	510	286-0347	Yreka	916	842-7439
Placerville	916	622-1101			
Rancho Mirage	619	346-8096			
Redding	916	224-4729			
Riverside	909	782-4330			
Sacramento	916	255-3350			
Salinas	408	443-3008			
San Bernardino	909	383-4701			
San Diego	619	525-4526			

Offices for Out-of-State Accounts

Chicago, IL	312	201-5300
Houston, TX	713	681-1106
New York, NY	212	697-4680
Sacramento, CA	916	322-2010

What do you think of this pamphlet?

We hope that this newly revised tax tip pamphlet will help you to better understand the Sales and Use Tax Law as it applies to your business.

We would appreciate it if you could take a few minutes to give us your comments and suggestions for this pamphlet, so that we can improve future revisions. We'd also like to have some information that will help us make our publications program more useful to you. Please answer the questions below and on the reverse, remove the page, and return it to us. It is designed as a postage-paid self-mailer: you may fold the page as indicated and seal it with two pieces of tape.

Thank you for taking the time to respond to this survey.

Pamphlet Comments and Suggestions

1. Does this pamphlet help you apply the sales and use tax in your business operations?
2. Are there any sections of the pamphlet that you find particularly helpful? (please note)
3. Are there any sections of the pamphlet that you find confusing? (please explain, if possible)
4. Are there any topics not addressed in this pamphlet that you would like us to include?
5. Are there any sections of the pamphlet that you feel are incomplete? What would you add to them?
6. Do you have any other comments or suggestions for improving this pamphlet?

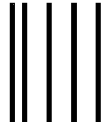
Please answer questions on reverse

date _____

tape

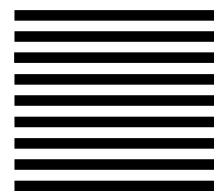


State Board of Equalization
P.O. Box 942879
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STATE BOARD OF EQUALIZATION
450 N STREET MIC 58
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SACRAMENTO CA 94299-9879**

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fold here and seal with tape or tabs where indicated

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Reader Survey Information *(please check all boxes that apply)*

What is the nature of your business?

How long have you been in business?

- ☐ less than one year ☐ 1-5 years
☐ 6-10 years ☐ more than 10 years

Did you receive a copy of this pamphlet (or an earlier version) when you applied for or received your seller's permit?

- ☐ yes ☐ no ☐ not sure

How did you find out about this pamphlet?

- ☐ Board field office
☐ Board auditor
☐ Tax Information Bulletin
☐ Publications listing in a Board pamphlet
☐ Other (please list) _____

Where did you obtain this pamphlet?

- ☐ Board field office
☐ Board auditor
☐ Board Supply Unit
☐ Other (please list) _____

Do you use any other Board publications to help you apply or understand the California Sales and Use Tax Law? (please list) _____



*State Board of Equalization
450 N Street
PO Box 942879
Sacramento, CA 94279-0001*